

Mayor and Council Communication

DATE: 02/11/25

M&C FILE NUMBER: M&C 25-0107

LOG NAME: 192025_9%HTCRESOLUTIONS

SUBJECT

(CD 2, CD 6, CD 7, CD 8, and CD 11) Consider and Adopt Six Resolutions of Support for 2025 Competitive (9%) Housing Tax Credit Applications, Approve Commitments of Development Funding in the Form of Fee Waivers in the Approximate Amount of Up to \$30,000.00 for Each Application/Development, Find that the Fee Waivers Serve a Public Purpose and that Adequate Controls are in Place, Determine that Developments Located in a Neighborhood Empowerment Zone, or Other Qualifying Area, Contribute to the City's Revitalization Efforts; and Acknowledge the One-Mile Three Year Rule (When Applicable) (Continued from a Previous Meeting)

RECOMMENDATION:

It is recommended that the City Council:

1. Consider and adopt the six Resolutions of Support for 2025 Competitive (9%) Housing Tax Credit applications for the multifamily housing developments listed below, to be located at various sites throughout the City;
2. Approve fee waivers in the approximate amount of up to \$30,000.00 per application/development as the City's commitment of funding for each development receiving a Resolution of Support;
3. Find that the fee waivers for these developments serve the public purpose of providing quality, accessible, affordable housing for low- to moderate-income households in accordance with the City's Comprehensive Plan and Annual Action Plan, and find that adequate controls are in place through the Neighborhood Services Department to carry out such public purpose;
4. Determine that the following developments contribute to the City's concerted revitalization efforts either in, a Tax Increment Financing District, a Neighborhood Empowerment Zone, a distinct area within a Neighborhood Empowerment Zone with a Strategic Plan, or an adopted Transformation Plan: Avenue at Lancaster, HiLine at Everman, and Irma Park; and
5. Acknowledge that the following developments may be or are located one linear mile or less from developments that serve the same target populations and which previously received an allocation of Housing Tax Credits for new construction within the last three years: Avenue at Lancaster and HiLine at Everman.

DISCUSSION:

On November 12, 2024, the City Council adopted a policy for City support of applications to the Texas Department of Housing and Community Affairs (TDHCA) for Noncompetitive (4%) and Competitive (9%) Housing Tax Credits (HTC) and for City commitments of development funding (Mayor and Council Communication (M&C) 24-0977). This year the City received eight applications from developers requesting Resolutions of Support for proposed 9% HTC developments in Fort Worth; two applications were withdrawn by their respective developers. The below applications met the general and program specific requirements of the policy and are recommended to receive a Resolution of Support through this M&C.

Resolutions of Support:

Staff requests that the City Council consider and adopt Resolutions of Support for the following developments as they have met the unit set-aside criteria and notification requirements outlined in the City's policy. Additionally, all of these developments are located in designated revitalization areas as defined by the City's 2025 HTC Policy or a high-opportunity area as defined by the TDHCA.

Avenue at Lancaster to be developed by CSH Avenue at Lancaster, Ltd., an affiliate of Brompton Development, LLC, to be located at 5733 Craig Street, Fort Worth, 76112 (CD 11). The site for the proposed development is zoned B-Two-Family, proposed to be changed to PD-Planned Development. This development will target seniors (55+) and does not plan to be tax exempt.

HiLine at Everman to be developed by TX Everman 2025, Ltd., an affiliate of Generation Housing Partners LLC, to be located at 1904 W Everman Parkway, Fort Worth, 76134 (CD 8). The site for the proposed development is zoned E-Neighborhood Commercial, proposed to be changed to PD-Planned Development. The proposed development does not plan to be tax exempt.

HiLine at Risinger to be developed by TX Risinger 2025, Ltd., an affiliate of Generation Housing Partners LLC, to be located at the Northwest Corner of Risinger Road and McCart Avenue, Fort Worth, 76123 (CD 6). The site for the proposed development is zoned E-Neighborhood Commercial, proposed to be changed to PD-Planned Development. This development will target seniors (55+) and does not plan to be tax exempt.

Irma Park to be developed by Irma Park LLC, an affiliate of O-SDA Industries, LLC to be located at 1519 Circle Park Boulevard, Fort Worth, 76164 (CD 2). The site for the proposed development is zoned CF-Community Facilities, proposed to be changed to PD-Planned Development. The proposed development does not plan to be tax exempt.

Legacy Park to be developed by CORE Legacy Park LP, an affiliate of National Community Renaissance to be located at 9750 Legacy Drive, Fort Worth, 76108 (CD 7). The site for the proposed development is zoned PD-Planned Development. This development will target seniors (55+)

and does not plan to be tax exempt.

Pioneer Crossing to be developed by FW Pioneer Crossing LLC, an affiliate of Target Builders, LLC to be located at 1550 Everman Parkway, Fort Worth, 76140 (CD 8). The site for the proposed development is zoned D-High Density Multifamily. This development will target seniors (55+) and is expected to receive a partial tax-exemption by way of its relationship with a Community Housing Development Organization.

Commitment of Development Funding:

Per the City's 2025 HTC Policy, any development receiving a Resolution of Support will also receive a waiver of development fees for a value of no less than \$500.00 and no more than \$30,000.00. This commitment of development funding qualifies HTC applicants for an additional point and increases the competitiveness of their TDHCA applications. Staff requests that City Council approve commitments of development funding in the form of fee waivers for each development that is recommended for a Resolution of Support. Three of the developments, Avenue at Lancaster, HiLine at Everman, and Irma Park, are located in a Neighborhood Empowerment Zone (NEZ). Accordingly, development fees for those projects will be waived pursuant to the NEZ Policy, with such waiver being in an amount of no less than \$500.00. The fee waiver amount may be applied to (a) all building permit related fees; (b) plat application fees; (c) Board of Adjustment application fee; (d) demolition application fee; (e) structural moving application fee; (f) Community Facilities Agreement (CFA) application fee; (g) zoning application fee; (h) street and utility easement vacation application fee; (i) ordinance inspection fee; (j) consent/encroachment agreement application fee; (k) urban forestry application fee; and (l) sign permit fees.

Fee waivers will be conditioned upon the development receiving an award of 2025 HTCs from TDHCA. The City's Neighborhood Services Department will be responsible for verifying that the public purpose for the fee waivers is carried out.

Concerted Revitalization Plan:

TDHCA rules state that an application may receive additional points if the proposed development is identified in a letter as contributing to a city or county's concerted revitalization efforts. The City has created Urban Villages to help promote central city revitalization. They are districts which are more compact, contain a greater mix of land uses, and give greater emphasis to pedestrian and transit access. The City has created 12 Tax Increment Financing zones (TIFs) as authorized by the Texas Tax Code. TIFs allow local governments to publicly finance needed structural improvements and enhanced infrastructure within defined areas. The City's eight Neighborhood Empowerment Zones (NEZs) were created to promote affordable housing and economic development in the designated zone. The City's Transformation Plans are comprehensive strategies to revitalize specific areas or neighborhoods. All of the City's Urban Villages, TIFs, NEZs, and Transformation Plans are included in the City's annual Comprehensive Plan as part of its goal of revitalizing central city neighborhoods and commercial districts (2023 Comprehensive Plan, Part II, Chapter 5: Housing, and Part III, Chapter 10: Economic Development).

Avenue at Lancaster, HiLine at Everman, and Irma Park are developments located in a NEZ. Staff determined that these developments will significantly contribute to the City's ongoing revitalization efforts in each of the NEZ areas in which they will be located since the recommended developments will provide housing for households earning at or below 80 percent of Area Median Income. In addition, the increased density of this new housing will support the new retail, office and other housing development located or being developed in each NEZ. Staff recommends that the City Council adopt the attached resolutions determining that Avenue at Lancaster, HiLine at Everman, and Irma Park are developments that contribute to the City's concerted revitalization efforts underway in the NEZ in which they are located.

Limitations on Developments With Certain Neighborhood Risk Factors:

One-Mile Three Year Rule

Avenue at Lancaster and HiLine at Everman may be located one linear mile or less from Cowan Place and The Heights at Crowley, respectively, developments that serve the same target populations and which previously received an allocation of HTCs. The governing body of the municipality where the proposed development is to be located must specifically vote to allow the construction of a new development or the adaptive use of an existing development that is within one linear mile or less from a development that serves the same target population.

Other Considerations

All of the proposed developments recommended for a resolution are subject to all applicable City laws, ordinances, policies and procedures including those pertaining to zoning changes and annexation. Council member support for purposes of approving these resolutions does not constitute approval of any required zoning change or annexation.

The proposed developments are located in COUNCIL DISTRICTS 2, 6, 7, 8, and 11.

A Form 1295 is not required because: This M&C does not request approval of a contract with a business entity.

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that approval of the above recommendations will have no material effect on the Fiscal Year 2025 Budget. While no current year impact is anticipated from this action, any effect on expenditures and revenues will be budgeted in future Fiscal Years.

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